

REMARKS

Claims 1-5 are now present in this application. Claim 1 is independent.

By this Amendment, claim 5 is added. No new matter is involved.

Reconsideration of this application, as amended, is respectfully requested.

Priority Under 35 U.S.C. § 119

Applicants thank the Examiner for acknowledging Applicants' claim for foreign priority under 35 U.S.C. § 119, and receipt of the certified priority document.

Information Disclosure Citation

Applicants thank the Examiner for considering the references supplied with the Information Disclosure Statement filed on March 29, 2009, and for providing Applicants with an initialed copy of the PTO-1449 or PTO-SB08 form filed therewith.

Rejection Under 35 U.S.C. § 102

Claims 1 and 2 stand rejected under 35 U.S.C. § 102(b) as being anticipated by JP 2002-029433 to Shunichi. This rejection is respectfully traversed.

A complete discussion of the Examiner's rejection is set forth in the Office Action, and is not being repeated here.

A prior art reference anticipates the subject matter of a claim when that reference discloses every feature of the claimed invention, either explicitly or inherently. *In re Schreiber*, 128 F.3d 1473, 1477, 44 USPQ2d 1429, 1431 (Fed. Cir. 1997) and *Hazani v. Int'l Trade Comm'n*, 126 F.3d

1473. 1477. 44 USPQ2d 1358, 1361 (Fed Cir. 1997). While, of course, it is possible that it is inherent in the operation of the prior art device that a particular element operates as theorized by the Examiner, inherency may not be established by probabilities or possibilities. What is *inherent*, must necessarily be disclosed. See *In re Oelrich*, 666 F.2d 578, 581, 212 USPQ 323, 326 (CCPA 1981); *In re Rijckaert*, 9 F.3d 1531, 1534, 28 USPQ2d 1955, 1957 (Fed. Cir. 1993).

During patent examination the PTO bears the initial burden of presenting a *prima facie* case of unpatentability. See *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992); *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984). If the PTO fails to meet this burden, then the applicant is entitled to the patent. However, when a *prima facie* case is made, the burden shifts to the applicant to come forward with evidence and/or argument supporting patentability. Patentability *vel non* is then determined on the entirety of the record, by a preponderance of evidence and weight of argument, *In re Gulag*, 62 USPQ2d 1151 (Fed. Cir. 2002).

Moreover, as stated in MPEP §707.07(d), where a claim is refused for any reason relating to the merits thereof it should be "rejected" and the ground of rejection fully and clearly stated.

Additionally, findings of fact and conclusions of law by the USPTO must be made in accordance with the Administrative Procedure Act, 5 U.S.C. §706(A), (E) (1994). See *Zurko v. Dickinson*, 527 U.S. 150, 158, 119 S.Ct. 1816, 1821, 50 USPQ2d 1930, 1934 (1999).

A claim limitation is inherent in the prior art if it is necessarily present in the prior art, not merely probably or possibly present. See *Rosco v. Mirro Lite*, 304 F.3d 1373, 1380, 64 USPQ2d 1676 (Fed. Cir. 2002). The dispositive question regarding anticipation is whether one skilled in the art would reasonably understand or infer from the prior reference's teaching that every claim

feature or limitation was disclosed in that single reference, *Dayco Products, Inc. v. Total Containment, Inc.*, 329 F.3d 1358, 1368, 66 USPQ2d 1801 (Fed. Cir. 2003).

Applicants respectfully submit that Shunichi does not disclose means for varying the characteristics of the phase compensation means depending upon whether the vehicle is being driven or is not being driven, as claimed.

In the Abstract (relied on in the rejection), Shunichi discloses that in the prior art, when a vehicle is being steered either without being driven or while being driven at a low speed, the acting degree of phase delay compensation of a torque sensor is adjusted. However, this is clearly not an explicit or inherent disclosure (where inherency cannot be just a possible disclosure and cannot just be a probable disclosure, but must be necessarily disclosed) of means for varying the characteristics of the phase compensation means depending upon whether the vehicle is being driven or is not being driven, as claimed.

In the body of the Abstract, Shunichi discloses that its control unit makes a phase delay correction and an advance correction on the basis of the output of the torque sensor. There is no disclosure whatsoever that these phase delay corrections are made depending on whether the vehicle is being driven or not. Thus, Shunichi's abstract, which is relied on to reject claims 1 and 2, clearly does not disclose the claimed invention.

Applicants also respectfully submit that none of the rest of the disclosure of Shunichi discloses the claimed invention. Analysis of Shunichi reveals that it has two different embodiments. The first embodiment, i.e., embodiment (A) has three separate phase compensators, which include elements 4, 5 and 6A. These phase compensators operate in different frequency bands (paragraphs [0008] to [0010]). Shunichi also teaches, in paragraph

[0012], that the frequency and stability of a steering system can be further raised by changing at least one frequency characteristic of two or more of its 4, 5 and 6A according to the vehicle speed. However, Shunichi appears to require that the vehicle have at least a low speed (see paragraph [0013]) and clearly does not disclose changing frequency of its phase compensation means depending on whether the vehicle is being driven or not driven. There is no explicit or inherent disclosure of this claimed feature.

With respect to claim 2, Shunichi has no concept of phase compensation means that includes a first phase compensator for steer with driving and a second phase compensator for steer without driving, or of the claimed different target control values generation for when the vehicle is being driven and for when the vehicle is not being driven.

Accordingly, the Office Action fails to make out a prima facie case of anticipation of the claimed invention, and should be withdrawn.

Rejections under 35 U.S.C. §103

Claims 3 and 4 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Shunichi in view of U.S. Patent 6,381,528 to Kawada. This rejection is respectfully traversed.

A complete discussion of the Examiner's rejection is set forth in the Office Action, and is not being repeated here.

Because the rejection is based on 35 U.S.C. §103, what is in issue in such a rejection is "the invention as a whole, "not just a few features of the claimed invention. Under 35 U.S.C. §103, " [a] patent may not be obtained . . . if the differences between the subject matter sought to be patented and the prior art are such that the subject matter *as a whole* would have been obvious

at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." The determination under §103 is whether the claimed invention *as a whole* would have been obvious to a person of ordinary skill in the art at the time the invention was made. *See In re O'Farrell*, 853 F.2d 894, 902, 7 USPQ2d 1673, 1680 (Fed. Cir. 1988). In determining obviousness, the invention must be considered as a whole and the claims must be considered in their entirety. *See Medtronic, Inc. v. Cardiac Pacemakers, Inc.*, 721 F.2d 1563, 1567, 220 USPQ 97, 101 (Fed. Cir. 1983).

In rejecting claims under 35 U.S.C. §103, it is incumbent on the Examiner to establish a factual basis to support the legal conclusion of obviousness. *See In re Fine*, 837 F.2d 1071, 1073, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In so doing, the Examiner is expected to make the factual determinations set forth in *Graham v John Deere Co.*, 383 U.S. 1, 17, 148 USPQ 459, 467 (1966), and to provide a reason why one of ordinary skill in the pertinent art would have been led to modify the prior art or to combine prior art references to arrive at the claimed invention. Such reason must stem from some teaching, suggestion or implication in the prior art as a whole or knowledge generally available to one having ordinary skill in the art. *See Uniroyal Inc. v. F-Wiley Corp.*, 837 F.2d 1044, 1051, 5 USPQ2d 1434, 1438 (Fed. Cir. 1988), *cert. denied*, 488 U.S. 825 (1988); *Ashland Oil, Inc. v Delta Resins & Refractories, Inc.*, 776 F.2d 281, 293, 227 USPQ 657, 664 (Fed. Cir. 1985), *cert. denied*, 475 U.S. 1017 (1986); *ACS Hospital Systems, Inc. v Montefiore Hospital*, 732 F.2d 1572, 1577, 221 USPQ 929, 933 (Fed. Cir. 1984). These showings by the Examiner are an essential part of complying with the burden of presenting a *prima facie* case of obviousness. *See In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). The mere fact that the prior art may be modified in the

manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification. *See In re Fritch*, 972 F.2d 1260, 1266, 23 USPQ2d 1780, 1783 84 (Fed. Cir. 1992). To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be suggested or taught by the prior art. *See In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1970). All words in a claim must be considered in judging the patentability of that claim against the prior art. *See In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

A suggestion, teaching, or motivation to combine the prior art references is an "essential evidentiary component of an obviousness holding." *See C.R. Bard, Inc. v. M3 Sys. Inc.*, 157 F.3d 1340, 1352, 48 USPQ2d 1225, 1232 (Fed. Cir. 1998). This showing must be clear and particular, and broad conclusory statements about the teaching of multiple references, standing alone, are not "evidence." *See In re Dembiczak*, 175 F.3d 994 at 1000, 50 USPQ2d 1614 at 1617 (Fed. Cir. 1999).

Moreover, it is well settled that the Office must provide objective evidence of the basis used in a prior art rejection. A factual inquiry whether to modify a reference must be based on objective evidence of record, not merely conclusory statements of the Examiner. *See In re Lee*, 277 F.3d 1338, 1343, 61 USPQ2d 1430, 1433 (Fed. Cir. 2002).

Furthermore, during patent examination, the PTO bears the initial burden of presenting a *prima facie* case of unpatentability. *See In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992); *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785788 (Fed. Cir. 1984). If the PTO fails to meet this burden, then the Applicant is entitled to the patent.

Only when a *prima facie* case is made, the burden shifts to the applicant to come forward to rebut such a case.

Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” *In re Kahn*, 441 F.3d 977,988(Fed. Cir. 2006) (quoted with approval in *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007)).

In the sentence just prior to citing the *Kahn* case, the U.S. Supreme Court clearly stated that there has to be an apparent reason to combine the known elements in the manner claimed. The Office has the burden of making out a *prima facie* case of obviousness, i.e., by presenting objective factual evidence of a reason to combine the known elements in the manner claimed. The *KSR* decision did not lift that burden from the Office.

The articulated reasoning has to express a rationale explaining what would have led an ordinarily skilled artisan to combine selected features from each reference in a way that would have resulted in the claimed invention. See, *KSR Int’l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727, 1741 (2007). Thus, the Supreme Court reaffirmed the fundamental principles set forth in the *Graham v. John Deere Co.* decision, cited and discussed above.

Initially, Applicants note that claim 1, from which claims 3 and 4 depend, is not disclosed by Shunichi, and that Kuwada is not being applied to provide the claimed features missing from Shunichi. Accordingly, even if Shinichi were modified in view of Kuwada, as suggested, the so-modified version of Shunichi would still not meet, suggest, or otherwise render obvious, the claimed invention.

In particular, the Office Action relies on col. 6, lines 7-35 of Kuwada to disclose a phase compensator having a damping peak at a predetermined frequency. Applicants respectfully disagree with this conclusion because what the relied upon portion of Kuwada actually discloses that its compensation section removes a peak value of a resonance frequency of a resonance system that comprises an inertial element and a spring element included in a detection torque, and never specifies that the phase compensator itself has any specific damping peak at a predetermined frequency (either explicitly or inherently).

With respect to claim 4, the rejection incorrectly states that Kuwada discloses the claimed invention, including the equation set forth in claim 4. However, Kuwada actually discloses, in col. 6, lines 7-35, a characteristic expression of its compensation, which is stated in an equation as a ratio of sums of parameters that are determined based on the resonant frequency of the vehicle resonant system, and the terms of the equation are different that what is claimed and the Office Action makes no attempt to identify those differences or to explain why it would be obvious to arrive at or otherwise render obvious the different claimed teams. This clearly violates the mandate to do so in the aforementioned decision of *Graham v. John Deere Co.*

Accordingly, the Office Action fails to make out a *prima facie* case of obviousness of the claimed invention

Reconsideration and withdrawal of this rejection of claims 3 and 4 are respectfully requested.

Claim 5

Claim 5 is added for the Examiner's consideration. Applicants submit that claim 5 depends from independent claim 3, and is therefore allowable based on its dependence from claim 3 which is believed to be allowable for reasons stated above.

In addition, claim 5 recites further features which are not disclosed or made obvious by the applied prior art references.

Conclusion

All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding rejections and that they be withdrawn. It is believed that a full and complete response has been made to the outstanding Office Action, and as such, the present application is in condition for allowance.

If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone Chad D. Wells, Registration No. 50,875, at (703) 205-8000, in the Washington, D.C. area.

Prompt and favorable consideration of this Amendment is respectfully requested.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17; particularly, extension of time fees.

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Respectfully submitted,

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